

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-476-C - ORDER NO. 2010-248

APRIL 6, 2010

IN RE: Application of Optic Internet Protocol, Inc.)	ORDER GRANTING
for a Certificate of Public Convenience and)	CERTIFICATE OF
Necessity to Provide Resold Interexchange)	PUBLIC CONVENIENCE
Telecommunications Services and for)	AND NECESSITY
Alternative Regulation of its Interexchange)	
Service Offerings)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) by way of the Application of Optic Internet Protocol, Inc. (“Optic” or the “Company”) requesting a Certificate of Public Convenience and Necessity authorizing it to provide resold interexchange telecommunications services within the State of South Carolina. The Company’s Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 2009) and the rules and regulations of the Commission. By its Application, Optic also requests alternative regulation of its business interexchange services consistent with Commission Orders, and waiver of certain Commission regulations.

The Commission’s Docketing Department instructed Optic to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the state affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the Application of Optic and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. Optic complied with this instruction and

provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene or Protests were filed.

Subsequently, a hearing was convened on March 8, 2010, at 11:30 a.m. in the offices of the Commission in Columbia, South Carolina, before F. David Butler, Esquire, Hearing Examiner. Optic was represented by John J. Pringle, Jr., Esquire. The South Carolina Office of Regulatory Staff (“ORS”) was represented by Shannon Bowyer Hudson, Esquire. At the outset of the hearing, the Applicant and the ORS entered a Stipulation into the record. The Stipulation is attached hereto as Order Exhibit 1.

Gregory Allpow, the President of Optic, testified in support of the Company’s Application. The record reveals that Optic is a Corporation organized under the laws of Delaware and duly authorized to transact business in South Carolina. According to Mr. Allpow, the Company seeks authority as a reseller of interexchange services. Mr. Allpow explained the Company’s request for authority, and the record further reveals the Company’s services, operations, and marketing procedures. The Company intends to market its services by telemarketing. Mr. Allpow also discussed Optic’s technical, financial, and managerial resources to provide the services for which it seeks authority. With regard to technical, financial, and managerial capabilities, the Company’s Application and Mr. Allpow’s testimony both evidence that Optic’s management team has experience in telecommunications, information technology, regulatory matters, and accounting and finance. Mr. Allpow also testified that Optic will operate in accordance with Commission rules, regulations, guidelines, and Commission Orders. Mr. Allpow offered that approval of Optic’s Application would serve the public interest.

Mr. Allpow testified that the Company is financially qualified to operate and manage its proposed telecommunications operations in South Carolina.

Mr. Allpow, on behalf of the Company, requests a waiver of 26 S.C. Code Ann. Regs. 103-610, since the Company's books are maintained in another state. Mr. Allpow also requested that it be exempt from any financial recording rules or regulations that require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"), but that it maintain its books and records in accordance with Generally Accepted Accounting Principles ("GAAP").

After consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. Optic is incorporated under the laws of the State of Delaware and is authorized to do business in South Carolina by the Secretary of State.
2. Optic desires to operate as a provider of resold interexchange services in South Carolina.
3. We find that Optic possesses the managerial, technical, and financial experience and capability to operate as a provider, through resale, of interexchange services in South Carolina.
4. We find that the issuance of a Certificate of Public Convenience and Necessity to Optic to operate as a reseller of interexchange services in South Carolina

would be in the best interest of the citizens of South Carolina by providing more innovative services.

5. Optic requests a waiver of 26 S.C. Code Ann. Regs. 103-610. The Commission finds Optic's requested waivers reasonable and understands the potential difficulty presented to Optic should the waivers not be granted.

6. The Company has the managerial, technical, and financial resources to provide the services as described in its Application.

7. The Stipulation between the Applicant and the ORS is fair and reasonable and in the public interest.

CONCLUSIONS OF LAW

1. The Commission concludes that Optic possesses the managerial, technical, and financial resources to provide the telecommunications services as described in its Application.

2. The Commission concludes that the issuance of the authority to provide intrastate interexchange telecommunications services as requested by Optic and as set forth in its Application and Mr. Allpow's testimony is in the best interests of the citizens of the State of South Carolina.

3. The Commission concludes that a Certificate of Public Convenience and Necessity should be granted to Optic to provide resold intrastate interexchange telecommunications services.

4. The Commission adopts a rate design for Optic for its residential interexchange services, if any, which include maximum rate levels for each tariff charge.

A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. *In Re: Application of GTE Sprint Communications Corporation, etc.*, Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

5. Optic shall not adjust its residential interexchange rates for end-users, if any, below the approved maximum level without notice to the Commission and to the public. Optic shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. *In Re: Application of GTE Sprint Communications, etc.*, Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for residential interexchange services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 2009).

6. The Commission concludes that Optic's intrastate interexchange business telecommunications services shall be regulated in accordance with the principles and procedures established for alternative regulation of business service offerings set out in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. The Commission has previously granted this "alternative regulation" to competitive intrastate interexchange carriers

operating within South Carolina, and the Commission concludes that the competitive marketplace requires the Commission to allow this flexible regulation to those carriers which request it. Specifically, the Commission-approved alternative regulation allows business service offerings, including consumer card services and operator services, to be subject to a relaxed regulatory scheme identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

However, pursuant to Order No. 2001-997 (Docket No. 2000-407-C), this Commission has modified alternative regulation by the re-imposition of rate caps with regard to certain “operator-assisted calls” where a customer uses a local exchange carrier’s calling card to complete calls from locations which have not selected that local exchange carrier as the toll provider. Order No. 2001-997, dated November 8, 2001, imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute rate associated with these calls. Under this relaxed regulatory scheme, tariff filings for business services shall be presumed valid upon filing. The Commission will have seven (7) days in which to institute an investigation of any tariff filing. If the Commission institutes an investigation of a particular tariff filing within the seven days, the tariff filing will then be suspended until further Order of the Commission.

7. We conclude that Optic’s request for waiver of 26 S.C. Code Ann. Regs. 103-610 should be granted, since strict compliance with the regulation would potentially cause undue hardship on that Company. We also grant exemption from the policies requiring the use of the USOA.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. The Stipulation between the Applicant and the ORS is approved as being fair and reasonable and in the public interest.

2. A Certificate of Public Convenience and Necessity should be granted to Optic to provide intrastate interexchange services through the resale of services authorized for resale by tariffs of carriers approved by the Commission within the State of South Carolina.

3. The Company's rate designs for its products shall conform to those designs described in Conclusions of Law above.

4. If it has not already done so by the date of issuance of this Order, Optic shall file its revised tariff utilizing the Commission's e-filing system for tariffs. The revised tariff should be electronically filed in a text searchable PDF format using the Commission's DMS System (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). Future revisions to the tariff should be made using the ETariff System. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations. We find that Optic does not intend to offer prepaid calling card services but, in the event that Optic in the future offers or provides such a service, Optic shall post a surety bond or certificate of deposit for prepaid calling card and long distance services in the amount of \$5,000 as required by the Commission

5. The Company's service is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

6. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

7. Optic shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If Optic changes underlying carriers, it shall notify the Commission and the ORS in writing.

8. With regard to the origination and termination of toll calls within the same LATA, Optic shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the FCC pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209). Specifically, Optic shall comply with the imputation standard as adopted by Order No. 93-462 and more fully described in paragraph 4 of the Stipulation and Appendix B approved by Order No. 93-462.

9. Optic shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, Optic shall keep financial records on an intrastate basis for South Carolina to comply with the

annual report and gross receipts filings. The proper form for filing annual financial information can be found at the Commission's website at the ORS's website at www.regulatorystaff.sc.gov. The title of this form is "Telecommunications Company Annual Report." This form shall be utilized by the Company to file annual financial information with the Commission and ORS and shall be filed no later than **April 1st**.

Commission gross receipts forms are due to be filed with the Commission and ORS no later than **August 31st** of each year. The proper form for filing gross receipts information can be found at the ORS website at www.regulatorystaff.sc.gov, and the appropriate form is entitled "Gross Receipts Form."

Each telecommunications company certified in South Carolina is required to file annually with the ORS the South Carolina Universal Service Fund ("USF") Contribution Worksheet, which may be found on the ORS's website at www.regulatorystaff.sc.gov. This worksheet provides ORS information required to determine each telecommunications company's liability to the State USF fund. The Intrastate USF worksheet is due to be filed annually no later than **July 1st** with the Commission and ORS.

10. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests, and repairs. In addition, the Company shall provide to the Commission and ORS in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours.

Optic shall file the names, addresses, and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the ORS website at www.regulatorystaff.sc.gov; this form shall be utilized for the provision of this information to the Commission and ORS. Further, the Company shall promptly notify the Commission and ORS in writing if the representatives are changed.

11. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

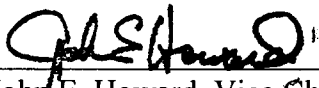
12. At the hearing, Optic requested a waiver of 26 Code Ann. Regs. 103-610 (Supp. 2009). The Commission finds Optic’s requested waiver reasonable and understands the potential difficulty presented to Optic should the waiver not be granted. The Commission therefore grants the requested waiver. However, Optic shall make available its books and records at all reasonable times upon request by the Office of Regulatory Staff, and Optic shall promptly notify the Commission and ORS if the location of its books and records changes. Optic also requested that it be allowed to maintain its books and records in accordance with the Generally Accepted Accounting Principles (“GAAP”). This Commission also grants this request.

13. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Elizabeth B. Fleming, Chairman

ATTEST:


John E. Howard, Vice Chairman
(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-476-C

In Re:)	
Application of Optic Internet Protocol,)	
Inc. for a Certificate of Public)	STIPULATION AGREEMENT
Convenience and Necessity to Provide)	
Resold Intrastate Interexchange)	
Telecommunications Services and for)	
Alternative Regulation of its)	
Interexchange Service Offerings)	

This Stipulation Agreement ("Stipulation Agreement") is made by and among the South Carolina Office of Regulatory Staff ("ORS") and Optic Internet Protocol, Inc. ("Optic" or the "Corporation") (collectively referred to as the "Parties" or sometimes individually as "Party");

WHEREAS, on November 17, 2009, Optic filed its Application with the Public Service Commission of South Carolina ("Commission") requesting (i) a Certificate of Public Convenience and Necessity be granted authorizing Optic to provide resold intrastate interexchange services throughout the State of South Carolina, pursuant to S.C. Code Ann. §58-9-280(B), as amended, 26 S.C. Reg. 103-823 and Section 253 of the Telecommunications Act of 1996; (ii) alternative regulation of its interexchange services, consistent with Order Nos. 95-1734 and 96-55 in Docket 95-661-C as modified by Order No. 2001-997 in Docket No, 200-407-C; (iii) for waiver of certain Commission Regulations, specifically Regulation 103-610 regarding location of records; (iv) a waiver of any requirement to maintain financial records in conformance with the Uniform System of Accounts ("USOA"); and (v) for waivers of any reporting requirements not applicable to competitive providers such as Applicant because such

requirements (a) are inconsistent with demands of the competitive market; or (b) they constitute an undue burden on a competitive provider, thereby requiring an ineffective allocation of resources.

WHEREAS on November 24, 2009, the Commission issued a Notice of Filing and Hearing and established a return date of December 28, 2009, for the filing of letters of protest or petitions to intervene and established a hearing date of February 22, 2010, for the application to be heard before hearing examiner David Butler, Esquire;

WHEREAS, on January 12, 2010, the Corporation filed the direct testimony of Gregory Allpow with the Commission;

WHEREAS, the purpose of this proceeding is to review the application filed by Optic and its requests (i) for a Certificate of Public Convenience and Necessity to provide resold intrastate interexchange services within the State of South Carolina; (ii) alternative regulation of its interexchange services and (iii) waiver of certain regulations of the Commission;

WHEREAS, since the filing of the notice, ORS has conducted a review of the technical, managerial, and financial expertise of Optic to provide the services requested in the Application;

WHEREAS, ORS has reviewed the Application, the testimony of Mr. Allpow, and the financial data provided by Optic, and ORS has calculated certain performance ratios based upon information provided by Optic;

WHEREAS, ORS has investigated the services to be offered by Optic and its intended customer service plans;

WHEREAS, ORS has reviewed the proposed tariff submitted by Optic;

WHEREAS, as a result of its investigations, ORS has determined (a) Optic intends to offer resold intrastate interexchange; (b) the officers of Optic appear to possess sufficient

technical and managerial abilities to adequately provide the services applied for; (c) based upon the information provided and the analysis performed, Optic appears to have access to sufficient financial resources necessary to provide the services proposed in its application; (d) Optic's proposed tariff with the amendments as agreed to in this Stipulation Agreement comply with Commission statutes and regulations; (e) the provision of services by Optic will not adversely impact the availability of affordable telecommunications services; and (f) to the extent it is required to do so by the Commission, Optic will participate in the support of universally available telephone service at affordable rates; and (g) interexchange services by Optic will not adversely impact the public interest;

WHEREAS, to ensure compliance with the Commission's statutes and regulations, the Parties have agreed to the following comprehensive settlement of all issues in this docket;

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1) The Parties agree to submit into the record before the Commission this Stipulation Agreement. The Parties also agree to stipulate to the filed testimony of Optic's witness Gregory Allpow without cross-examination by ORS.

2) The Corporation has requested a waiver of 26 S.C. Code Ann. Regs. 103-610 concerning the location of books and records. However, S.C. Code Ann. §58-9-380 (Supp. 2008) provides that:

Each telephone utility shall have an office in one of the counties of this State in which its property or some part thereof is located and shall keep in such office all such books, accounts, papers and records as shall reasonably be required by the Office of Regulatory Staff. No books, accounts, papers or records required by the ORS to be kept within the State shall be removed at any time from the State except upon such conditions as may be prescribed by the Office of Regulatory Staff.

ORS is agreeable to allowing the Corporation to maintain its books and records outside of the State of South Carolina in exchange for the Corporation agreeing to provide access to its books and records. ORS is agreeable to the Corporation maintaining its books and records at its principal offices in Roswell, Georgia and the Corporation agrees to notify the ORS of any change in the location of the principal office or in the location where the books and records are maintained. This provision of the Stipulation Agreement shall not be construed as a waiver by ORS of S.C. Code Ann. § 58-4-55 (Supp. 2008) or § 58-9-1070 (Supp. 2008). ORS expressly reserves its rights to require the production of books, records and other information located within or outside of the State of South Carolina in order to carry out its duties and compliance with any state or federal regulation;

3) The Company has requested a waiver of any rule or regulation that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts (“USOA”). The Company acknowledges that S.C. Code Ann. § 58-9-340 (Supp. 2008) provides that the ORS may, in its discretion and subject to the approval of the Commission, prescribe systems of accounts to be kept by telephone utilities subject to the commission’s jurisdiction and that the ORS may prescribe the manner in which the accounts shall be kept and may require every telephone utility to keep its books, papers, and records accurately and faithfully according to the system of accounts as prescribed by the ORS.

4) The Company agrees to keep its books, papers, and records in such a manner that permits ORS to audit revenues and expenses associated with its South Carolina operations for compliance with programs such as but not limited to the Universal Service Fund (“USF”), the Interim LEC Fund, dual party relay service fund, and gross receipts. The Company agrees to complete the reporting forms for such programs as but not limited to USF, dual party relay

service fund, Interim LEC Fund, and gross receipts as may be required by the ORS of telecommunications companies certificated to operate within South Carolina and as the reporting forms may be amended from time to time. The Corporation agrees that its books, papers and records shall be maintained in a manner such that Corporation revenues and expenditures related to its operations in South Carolina can be segregated from revenues and expenditures related to operations in other jurisdictions and that South Carolina jurisdictional revenues and expenditures may be reconciled to total Corporation revenues and expenditures from operations in all jurisdictions;

5) The Company acknowledges that all of its underlying carriers must hold a certificate from the Commission

6) Given the Company's request to provide statewide service and although not specifically requested in the Company's Application, ORS does not oppose a waiver of 26 S.C. Code Ann. Regs. 103-612.2.3 which requires the filing of operating maps. However, should the Company establish local exchange service areas which differ from those of the incumbent local exchange carriers, the Company agrees it will notify the Commission and ORS of the change and file updated service maps.

7) ORS does not oppose Optic's requests for alternative regulation of its interexchange service offerings consistent with the procedures described and set forth in Order No. 98-165 in Docket No. 97-467-C and Orders 95-1734 and 96-55 in Docket No. 95-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C. Alternative regulation of interexchange services provides for the (i) regulation of these services in the same manner as these services are regulated of AT&T Communications of the Southern States, Inc., (ii) removal of the maximum rate tariff requirements for Optic's business services, private line, and customer network-type

offerings, except in instances governed by Order No. 2001-997 which reinstituted maximum rates for surcharges and rates associated with certain intrastate operator-assisted calls; (iii) presumptively valid tariff filings for these interexchange services unless an investigation of a particular filing is instituted within seven (7) days, in which case the tariff filing will be suspended until resolution of the investigation or until further order of the Commission; and (iv) the same regulatory treatment as AT&T Communications of the Southern States, Inc. in connection with any future relaxation of reporting requirements;

8) Optic agrees that it will allow an end-user of resold services to access an alternative interexchange carrier or operator service provider if the end-user expresses such a desire;

9) Optic agrees to file necessary financial information as directed by the Commission or ORS for universal service fund reporting, dual party relay service fund reporting, interim LEC fund reporting, annual reporting, gross receipts reporting, and/or any other reporting which may now or in the future be applicable to telecommunications providers such as Optic. The Parties agree that such reports shall be filed pursuant to ORS' instructions and monies shall be remitted in accordance with the directions of the ORS and/or the Commission.

10) Optic agrees to maintain its books and records in a manner that would permit ORS to examine any of Optic's reports filed with the Commission and provided to ORS.

11) Optic agrees to file with the Commission and ORS a completed authorized utility representative forms within thirty (30) days of the Commission's order.

12) In the event that Optic offers prepaid calling card services in the future, Optic agrees that it shall obtain Commission approval and post a surety bond in the amount of \$5,000 as required by the Commission;

13) Optic agrees to comply with the verification regulations governing change of preferred carriers as established by the Federal Communications Commission ("FCC"). Optic agrees to comply with the marketing practices and guidelines established by the Commission in Order No. 95-658;

14) Optic agrees to comply with South Carolina Code Section § 58-9-300 entitled "Abandonment of Service." Additionally, to the extent applicable, Optic agrees to adhere to the FCC's rule 47 C.F.R. § 64.1190 and 64.1130 regarding preferred carrier freezes and the requirement that the form of the written authorization for the institution of the freeze be a separate or easily separable document. Prior to abandonment of service, Optic shall remove any preferred carrier freeze so as to enable consumers to seamlessly transfer their telephone numbers to another provider;

15) Optic agrees to comply with all rules and regulations of the Commission unless the Commission has expressly waived such rule or regulation;

16) Optic agrees to file a final revised tariff with both the ORS and the Commission within 30 days of the Commission's order granting Optic's application and the revised tariff shall reflect and be in accordance with ORS' tariff revisions as shown in Attachment 1 to this Stipulation Agreement.

17) "Corporation" shall file its revised tariff utilizing the Commission's e-filing system for tariffs. The revised tariff should be electronically filed in a text searchable PDF format using the Commission's DMS System (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). Future revisions to the tariff should be made using the ETariff System. The revised tariff shall be

consistent with the findings of this agreement and shall be consistent with the Commission's Rules and Regulations.

18) ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10 (B). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

... 'public interest' means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Stipulation Agreement reached among the Parties serves the public interest as defined above;

19) The Parties agree to advocate that the Commission accept and approve this Stipulation Agreement in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation Agreement be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Stipulation Agreement and the terms and conditions contained herein.

20) The Parties agree that signing this Stipulation Agreement will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the

Commission declines to approve the Stipulation Agreement in its entirety, then any Party desiring to do so may withdraw from the Stipulation Agreement in its entirety without penalty or obligation.

21) This Stipulation Agreement shall be interpreted according to South Carolina law.

22) The Parties represent that the terms of this Stipulation Agreement are based upon full and accurate information known as of the date this Stipulation Agreement is executed. If, after execution, either Party is made aware of information that conflicts, nullifies, or is otherwise materially different than that information upon which this Stipulation Agreement is based, either Party may withdraw from the Stipulation Agreement with written notice to the other Party.

23) The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Stipulation Agreement by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Stipulation Agreement. The Parties agree that in the event any Party should fail to indicate its consent to this Stipulation Agreement and the terms contained herein, then this Stipulation Agreement shall be null and void and will not be binding on any Party.

[SIGNATURES ON FOLLOWING PAGES]

WE AGREE:

Representing the Office of Regulatory Staff

Shannon Bowyer Hudson

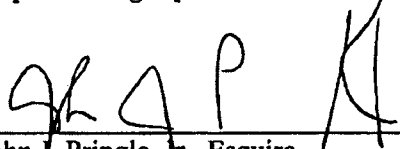
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1401 Main Street, Suite 900
Columbia, SC 29201
Telephone: (803) 737-0889
Fax: (803) 737-0895
Email: shudson@regstaff.sc.gov

3-5-10

Date

WE AGREE:

Representing Optic Internet Protocol, Inc.



John J. Pringle, Jr., Esquire
Ellis, Lawhorne & Sims, P.A.
Post Office Box 2285
Columbia, SC 29202
Phone: 803-343-1270
Fax: 803-779-4749
jpringle@ellislawhorne.com

3/05/10

Date

Attachment 1

Revisions to Tariff filed with Application

Original Title Sheet— The Company will include a regulatory contact phone number/e-mail address on the title page.

Original Sheet No. 15 2.10.8— The Company will modify the ORS address as follows:

South Carolina Office of Regulatory Staff
Consumer Services Division
1401 Main Street, Suite 900
Columbia, SC 29201
803-737-5230
1-800-922-1531 (toll free)

Original Sheet No. 19 4.0.1— The Company will include maximum as well as current rates for all charges that may apply to residential customers.

Original Sheet No. 19 4.0.2— The Company will include maximum as well as current rates for all charges that may apply to residential customers.

Original Sheet No. 19 4.0.3— The Company will include maximum as well as current rates for all charges that may apply to residential customers.

Additional Revisions

- 1) If the Company charges any installation, connection, or maintenance charges, termination charges, etc. (in addition to the services listed in the tariff), these additional charges and the descriptions of the charges will be listed in the tariff with their current and maximum rates.
- 2) The Company will provide tariffs and tariff revisions to the Public Service Commission of South Carolina and the South Carolina Office of Regulatory Staff (Commission Reg. 103-629).
- 3) If the Company's Services involve Prepaid Calling Cards, the Company will be required to post a \$5, 000 Surety Bond with the Public Service Commission.
- 4) The Company will include maximum rates and current rates for any service that may impact residential customers. Any service that impacts Business Long Distance, Consumer Cards, and Operator Services (Including Directory Assistance) are exempt from maximum rates.